

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7390

BILL NUMBER: HB 1486

NOTE PREPARED: Jan 10, 2011

BILL AMENDED:

SUBJECT: Insurance matters.

FIRST AUTHOR: Rep. Lehman

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ___**GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: Makes various changes to the law concerning retention of an examiner by the department of insurance, annual audited financial reporting, insurance producer education and licensing, insurer investments, holding company system transactions, insurance administrator licensing fees, risk based capital, credit for reinsurance, requirements applying to certain domestic insurers and health maintenance organizations, small employer health insurance plans. Adds a law providing for limited purpose subsidiary life insurance companies. Adds a law providing for independent adjuster licensing. Defines "industrial insured" for purposes of certain insurer transactions exempt from licensure requirements. Adds a provision concerning treatment of certain agreements in the event of insurer rehabilitation. Amends a provision concerning the conversion of a mutual insurance holding company into a stock company to replace a reference to the former statute on the demutualization of mutual insurance companies with a reference to the current statute on the demutualization of mutual insurance companies. Defines "working capital" for purposes of the law regulating professional employer organizations (PEOs). Amends the current law applying to PEOs with respect to registration and financial requirements and unemployment compensation status. Repeals provisions concerning notice of insurance administrator claim recoding and concerning individual policies in the small employer group health insurance law. Makes conforming amendments.

Effective Date: Upon passage; July 1, 2011.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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